

Revenue Raising Measures

City of New Orleans

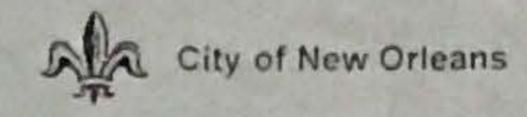
December 2018

Working Together to Improve our Quality of Life

New Orleans can't become the city we all want it to be unless we work together to fund and improve basic city services.

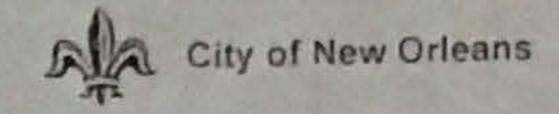
Investment in the people and the infrastructure of New Orleans is common sense, and it makes business sense.

- It is a national best practice to focus hospitality tax revenue on necessary city services.
- No other city has such a large percentage of its hospitality revenue diverted away from city services.
- For the city to grow and thrive, we need to focus on investing in the basic needs of the city.



Strategy

- Communications
- Outreach
- Policy
- Research Needs
- Timeline



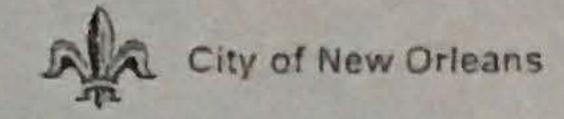
Policy

This is not a zero-sum game: all options are on the table to get a win-win-win.

- Hospitality industry is a partner in this
- Change has to happen: looking for the best way to help the most people

Review of some of the revenue raising proposals that our team has brainstormed.

As a second first step, we'd like to begin to work these through with you.



Potential State Legislative Vehicles

> Graduated transfer of 1.75% self-assessment

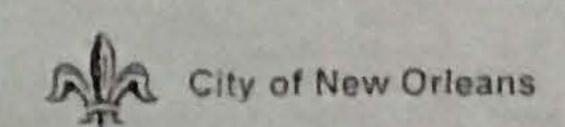
Expected Revenue: \$16.3M

Cap of \$10 M on 1.75% self-assessment

Expected Revenue: \$6.3M

> Reallocation of 1.75% to provide for .75% to Association; 1 % to City

Expected Revenue: \$10.8M (\$8.1M in new money; \$2.27 in old money)



经过速度经验的	建筑数据资源数据	2014	2015	2016	2017
Assessment	members	\$5,414,274	\$18,236,730	\$18,500,605	\$18,971,976

Potential State Legislative Vehicles

Direct MCC reserves generated by excise taxes to City held escrow

Expected Revenue: ~\$20-25M

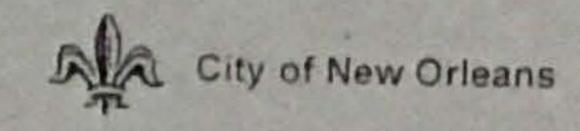
Increase hotel occupancy by 1%

Expected Revenue: \$13.6M

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> Increase STR tax rate by 6.75% to equalize to large hotels at total of 15.2% rate of taxation

Expected Revenue: ~\$7.3M (very rough estimate depending on Council action)



Potential Local Vehicles

Redirect NOMTC's contribution from Harrah's

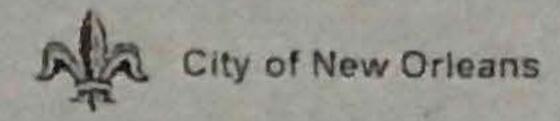
Expected Revenue: ~\$2M

> MCC contributes from its reserves

Expected Revenue: ~\$10M

> Special assessment district in the CBD

Action Required: CEA with DDD



Potential Local Vehicles

Create additional \$1 per night fee on large hotels

Expected Revenue: \$5M

Increase sales tax on hotels by .5% increase to equal 4.5% * Expected Revenue: \$6.9M

> Redirect City Hotel Occupancy Privilege Tax

Expected Revenue: \$5.3M

